GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1993
ANSWERED ON:26.07.2002
EXPORT TO TRADITIONAL MARKETS
UMMAREDDY VENKATESWARLU

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether exports to the traditional markets of USA, UK, Japan and Hong Kong has declined in the fiscal year 2001-02;

(b) if so, the extent of decline registered over the last two years in these traditional export markets;

(c) the reasons for such decline; and

(d) the steps being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to(c): Yes sir. Exports to the traditional markets of USA, UK, Japan, and Hong Kong had declined in the fiscal year 2001-02due to the global economic slow down and the impact of September 11 events and its aftermath.

Exports to these traditional markets during 2000-01 and 2001-02 are given below:

(US $ million)

Countries	2000-01	Growth (%) +	2001-02	Growth (%) +
USA	9236.48	10.17	8488.15	-8.10
UK	2272.02	11.82	2152.36	-5.27
JAPAN	1779.30	5.70	1495.28	-15.96
HONGKONG	2631.30	5.65	2363.89	-10.16

+ over the previous year

(d) : Several short term interventionist measures have been undertaken by the Government to arrest the declining trend owing to the global economic slow down which inter alia include reduction in the export credit rate for both pre-shipment and post-shipment, special financial package to manufacturer exporters, extension of normal repatriation period up to 360 days, abolition of value caps in the case of DEPB for more than 400 export items.A medium term export strategy has been announced for the period 2002-07, which aims at achieving 1% of world exports by the year 2006-07. Besides these, Exim Policyfor 2002-07 announced recently has also incorporated a number of measures to proactively promote exports which inter alia include permitting offshore Banking units in Special Economic Zones, a scheme to reimburse certain admissible expenses for export of certain agricultural products, development of clusters to help small scale exports, additional support for electronic hardware exports, further reduction in transaction costs, etc.